

**SBC - California Study**  
**Presubscribed Interexchange Carrier (PIC) Change Charge**  
**Nonrecurring Cost Study**

**2005 - 2008**

**August 2005**



SBC California  
Presubscribed Interexchange Carrier (PIC) Change Charge  
Service Order  
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## Overview and Methodology

### Purpose

The purpose of this cost study is to provide updated costs for PIC Change orders. For reference, an acronym glossary is included as a separate tab within this cost study.

### Service Description

Presubscription is a procedure whereby an end user may select and designate to the Telephone Company an Interexchange Carrier (IC) to access, without dialing an access code, for interLATA calls. This IC is referred to as the end user's primary IC. A charge associated with interLATA is a PIC.

### Rate Element Descriptions

Combination Manual PIC/LPIC Charge, Cost per Change  
Combination Mechanized PIC/LPIC Charge, Cost per Change

### Activity-Based Costing

Activity-Based Costing is a widely used method of identifying costs. The structure of an ABC study is based on the fact that activities performed by the company consume resources, and these resources have a specifically identifiable cost. Activities, then, are used to provide services. This gives a logical, easy-to-follow flow through the costing procedure.

Activity-Based Costing uses a number of specific terms, such as *resource*, *activity*, *cost object*, and *drivers* which have simple, yet special meanings.

- A *resource* can be a piece of equipment, a labor rate, or a vendor contracted expense.
- An *activity* is an action that consumes resources. The cost of the activity is calculated based on the cost of the resources that the activity consumes, and the resource driver, or the quantity of resources the activity consumes.
- A *cost object* is a product (i.e., PIC Change).
- *Drivers* are specific units that represent quantities of activities and resources. For example, time in minutes, or orders per line may be drivers. Resource drivers are the quantity of resources consumed by an activity. Activity drivers are the number of activities necessary to provide the service.

### The Basics of Activity-Based Costing are:

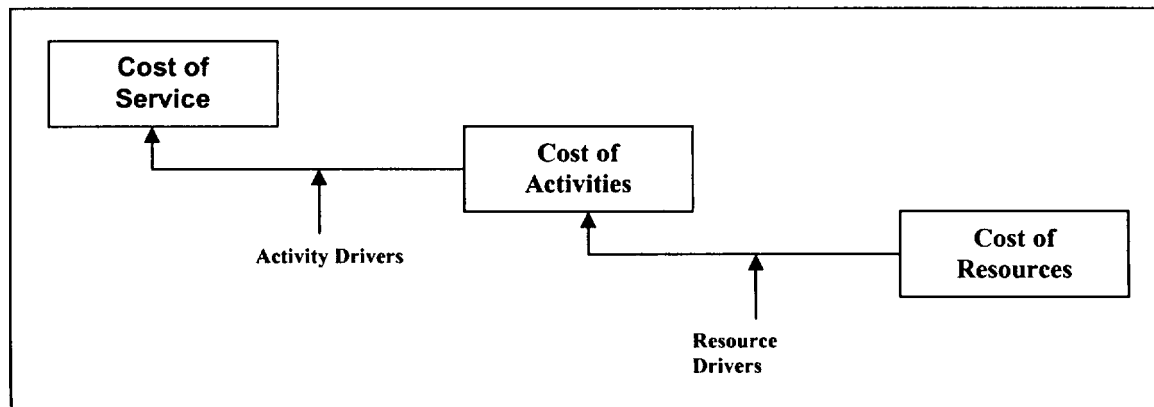
- Cost objects (i.e., services) are provided by activities.
- Activities consume resources.
- Consumption of resources drives costs.

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Figure 1 illustrates the flow of Activity-Based Costing.

**Figure 1**



### Line and Change Quantity Efficiency

End user may have more than one access line and ask to have their PIC changed on multiple lines on the same request (or order). In addition, on the same request, the same end user may also request LPIC changes on the same lines. There are efficiencies associated with performing PIC changes on multiple lines and performing a LPIC change at the same time as a PIC change. This efficiency is included in the cost results.

The SMEs provided time estimates that represent the total activity time required to make all changes on all lines on an average size request. In other words, the SMEs, based on their experience processing requests, estimated an average number of changes required on a request and provided the total time to process all changes. The Bill of Costs tab adjusts the per request manual costs to per change by multiplying the resulting business channel costs by orders per change (or the inverse of changes per order), thereby accounting for any line and change quantity efficiencies resulting from multiple lines or changes per line on the same request.

### Labor Rates

The labor rate represents the cost to SBC of a single hour of labor. The labor rate is inflated (based on the Consumer Price Index) to the study period to make the labor cost representative of the period under study. A more detailed discussion of labor rates and inflation factors is found later in this methodology.

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### **Inflation Factors**

Inflation Factors are utilized to apply the appropriate labor cost for the study period. The inflation factors are developed by using the forecast of the Consumer Price Index (CPI). The CPI represents changes in prices of all goods and services purchased for consumption by urban households. User fees (such as water and sewer service) and sales and excise taxes paid by the consumer are also included. Income taxes and investment items (like stocks, bonds, and life insurance) are not included.

### **Labor Rate Development Methodology**

Labor rates identify the cost to the firm of consuming a particular resource—an hour of labor. Labor rates begin with a basic hourly wage or salary, and then include costs directly caused by labor that are not captured in the basic wage. These other direct labor costs include:

- break time and/or tour length costs,
- paid absence costs,
- special payments such as team awards and recognition,
- payroll taxes, pension costs, benefit costs,
- support assets, including capital costs associated with support assets
- Other direct costs such as travel and training, and clerical support and supervision.

Labor rates are developed at the proper level of detail to provide accurate costs for specific activities. First, SBC looks at specific groups of function codes (which designate a specific job function) or activity codes (which designate a specific job activity). These function/activity codes are part of SBC's functional accounting system used to report expenses company-wide. For example, 21XX is the group of all wages and expenses charged to function codes or activity codes that begin with "21", which in this example represents Operator Services functions and activities.

Within the specific group, SBC develops labor rates by Market Zone (for management employees) or Wage Category (for non-management employees). The Market Zone and Wage Category are specific job classifications that determine how much the company pays for a particular job.

The Labor rates in this study begin with an average wage per hour from payroll records. SBC derives relationships of expenses to wages, or expenses to hours worked, to develop labor factors or loadings that it then applies to basic wages to produce total hourly labor cost. All base labor rates in this study represent calendar year 2003. If SBC did not have current labor base rates for a particular state or job title, the most recent labor rate available was adjusted by bringing the basic wage portion of the labor rate current and updating the benefit factor using the most recent data available.

For more information, separate Labor Rate Development documentation is available.

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## **Overview and Methodology**

### **Cost Study Assumptions and Parameters**

- TSLRIC Methodology
- Slamming costs are included in the PIC change charge
- Study period is 2005 – 2008, midpoint 2006
- Labor Rates are base year 2003 adjusted to 2006

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Results				
(A)	(B)	(C)	(D)	(E)
Line	Cost Element	Total Cost Source: Bill of Costs	Overhead Factor Source: Input	Total Rate  (E)=(C)*(1+D)
1	Manual PIC / LPIC Combination, Cost per Change	\$3.09	32.17%	\$4.08
2	Mechanized PIC / LPIC Combination, Cost per Change	\$1.33	32.17%	\$1.76

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Bill of Costs						
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Ln	Cost Element / Activities	Unit Activity Cost Source: BOAC	Activity Driver (Orders per Change) Source: Drivers	Other Activity Driver Source: Drivers	Activity Driver Description	Activity Cost (G=C*D*E)
Manual PIC / LPIC Combination, Cost per Change						
1	Change PIC/LPIC for "Consumer - Service Representative"	\$3.54	0.53	86.03%	% manual orders worked by Consumer Service Representative	\$1.603
2	Change PIC/LPIC for "Global Markets" customer	\$41.22	0.02	1.14%	% manual orders worked by Global Markets center	\$0.009
3	Change PIC/LPIC for "Signature Accounts" customer	\$7.33	0.19	1.53%	% manual orders worked by Signature Accounts center	\$0.022
4	Change PIC/LPIC for "Value" customer	\$7.33	0.28	9.18%	% manual orders worked by Value center	\$0.189
5	Change PIC/LPIC for "GEM" customer	\$16.50	0.21	2.12%	% manual orders worked by GEM center	\$0.073
6	Provide Customer Account Record Exchange (CARE) support - All PIC and/or LPIC Changes	\$159,397.93		0.00000020	1/Total PIC/LPIC Transactions	\$0.032
7	Provide Slamming Administration support - All PIC and/or LPIC Changes	\$1,387,672.00		0.00000020	1/Total PIC/LPIC Transactions	\$0.278
8	Provide Service Order Computer Cost per PIC Change	\$0.98	0.37		Weighted Average PIC/LPICs Orders per Change	\$0.362
9	Provide PIC IT Cost per PIC Change	\$0.46		n/a	n/a	\$0.460
10	Provide IT Implementation Cost per PIC Change	\$0.06		n/a	n/a	\$0.063
11	Total Cost > SUM (LN 1.....10)					\$3.09
Mechanized PIC / LPIC Combination, Cost per Change						
12	Provide Customer Account Record Exchange (CARE) support - All PIC and/or LPIC Changes	\$159,397.93		0.00000020	1/Total PIC/LPIC Transactions	\$0.032
13	Provide Customer Account Record Exchange (CARE) support - Mechanized PIC and/or LPIC Changes	\$236,039.22		0.00000057	1/Mechanized PIC/LPIC Transactions	\$0.135
14	Provide Slamming Administration support - All PIC and/or LPIC Changes	\$1,387,672.00		0.00000020	1/Total PIC/LPIC Transactions	\$0.278
15	Provide Service Order Computer Cost per PIC Change	\$0.98	0.37		Weighted Average PIC/LPICs Orders per Change	\$0.362
16	Provide PIC IT Cost per PIC Change	\$0.46		n/a	n/a	\$0.460
17	Provide IT Implementation Cost per PIC Change	\$0.06		n/a	n/a	\$0.063
18	Total Cost > SUM (LN 12.....17)					\$1.33

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Bill of Activity Costs									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)		
Ln	Activities / Resources	Workgroup	Job Title	Unit Resource Cost (\$/hr)	Minutes	Resource Drivers Percent Occurrence	Resource Cost		
						Source: BORG	Source: Input	(H=E60*F*G)	
<b>Change PIC/LPIC for "Consumer - Service Representative"</b>									
1	Receive request from end user or IXC via the IVR and deliver to the next available service representative. Screen Pop provides customer information. Service Representative greets customer.	Consumer	Service Representative	\$60.65	0.75	100.00%	\$0.76		
2	Obtain customer information and access account in BOSS/Dashboard. Verify account by requesting bill name, password, SSN or customer code. Clarify request, PIC, LPIC or both. Determine telephone numbers where changes are to be made.	Consumer	Service Representative	\$60.65	0.83	100.00%	\$0.84		
3	Access EASE to make PIC/LPIC change, validate carrier availability.	Consumer	Service Representative	\$60.65	0.75	100.00%	\$0.76		
4	Set KID PN if customer alleges SLAM	Consumer	Service Representative	\$60.65	1.50	5.00%	\$0.08		
5	Transfer customer to Third Party Billing Center if disputed third party billed charges. Make a BOSS notation.	Consumer	Service Representative	\$60.65	0.50	4.00%	\$0.02		
6	Recap all elements of the order, provide due dates, charges and usage plans. In EASE on products screen add TPV reference line.	Consumer	Service Representative	\$60.65	1.00	100.00%	\$1.01		
7	Receive a screen pop in Mosax with telephone number. Access order/customer account in various systems to determine where fallout occurred.	Consumer	Staff Associate	\$54.75	3.00	2.30%	\$0.06		
8	Set follow-up (5 days) for third attempt disposition in all systems if unable to contact the customer.	Consumer	Staff Associate	\$54.75	0.30	0.40%	\$0.001		
9	Work CMS third attempt. Access order/customer account in various systems to determine where fallout occurred. If TPV completed release order and disposition in various systems. If not completed disposition in various systems, send Auto Letter and delete order.	Consumer	Staff Associate	\$54.75	4.00	0.40%	\$0.01		
10	Unit Activity Cost > SUM (LN 1.....9)						\$3.54		



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## Bill of Activity Costs

### Change PIC/LPIC for "Global Markets" customer

11	Change PIC/LPIC request from customer via faxes or emails to center. Customer records are reviewed	Global	Service Representative	\$60.65	1.15	100.00%	\$1.16
12	Receive Fax email requests. Copies are pulled and fax cover sheet is prepared that will be returned to the customer with order info.	Global	Provisioning Specialist	\$67.34	2.00	100.00%	\$2.24
13	Log in fax/email for tracking	Global	Provisioning Specialist	\$67.34	1.00	100.00%	\$1.12
14	Distributes request to service rep.	Global	Provisioning Specialist	\$67.34	1.00	100.00%	\$1.12
15	Access SORD to place order using the appropriate screen for PIC and LPIC.	Global	Service Representative	\$60.65	30.00	100.00%	\$30.33
16	End order and fills out the cover sheet to be sent to customer to verify completion of order. Confirmation of due date, order numbers	Global	Service Representative	\$60.65	2.00	100.00%	\$2.02
17	Access SORD, bring up error and review	Global	Service Representative	\$60.65	1.00	5.00%	\$0.05
18	Correct error and resubmit order	Global	Service Representative	\$60.65	3.00	5.00%	\$0.15
19	Fax cover sheet back to customer and file and/or email confirmation sent to customer.	Global	Service Representative	\$60.65	3.00	100.00%	\$3.03
20	Unit Activity Cost > SUM (LN 11.....19)						\$41.22

### Change PIC/LPIC for "Signature Accounts" customer

21	Answer call and acknowledges customer request	BCS	Service Representative	\$60.65	0.50	100.00%	\$0.51
22	Clarify request, PIC/LPIC or both, negotiate telephone numbers where changes are to be made. Validate availability of carrier(s). Review account for pending orders to determine impact.	BCS	Service Representative	\$60.65	2.00	100.00%	\$2.02
23	Explain rights if customer alleges slam, issues correcting order to switch back, issues adjustments in BOSS & forwards to SCRT for follow-up.	BCS	Service Representative	\$60.65	4.50	90.00%	\$4.09
24	Recap all elements of the order & offer additional assistance. Note BOSS account issued order to change PIC/LPIC from/to, due date & order number, release order.	BCS	Service Representative	\$60.65	0.50	100.00%	\$0.51
25	Access SORD, bring up order, correct any errors and resend order	BCS	Service Representative	\$60.65	2.00	10.00%	\$0.20
26	Unit Activity Cost > SUM (LN 21.....25)						\$7.33

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Change PIC/LPIC for "Value" customer						
27	Answer call and acknowledges customer request	BCS	Service Representative	\$60.65	0.50	100.00%
28	Clarify request, PIC/LPIC or both, negotiate telephone numbers where changes are to be made. Validate availability of carrier(s). Review account for pending orders to determine impact.	BCS	Service Representative	\$60.65	2.00	100.00%
29	Explain rights if customer alleges slam, issues correcting order to switch back, issues adjustments in BOSS & forwards to SCRT for follow-up.	BCS	Service Representative	\$60.65	4.50	90.00%
30	Recap all elements of the order & offer additional assistance. Note BOSS account: issued order to change PIC/LPIC from/to, due date & order number, release order.	BCS	Service Representative	\$60.65	0.50	100.00%
31	Access SORD, bring up order, correct any errors and resend order	BCS	Service Representative	\$60.65	2.00	10.00%
32	Unit Activity Cost > SUM (LN 27.....31)					\$7.33
Change PIC/LPIC for "GEM" customer						
33	Receive request from business customer via phone call	GEM	Service Representative	\$68.77	0.50	100.00%
34	Clarify request, PIC/LPIC or both, negotiate telephone numbers where changes are to be made. Validate availability of carrier(s). Review account for pending orders to determine impact.	GEM	Service Representative	\$68.77	2.00	100.00%
35	Explain rights, issues correcting order to switch back, issues adjustments in BOSS & forwards to SCRT for follow-up. (if customer alleges slam)	GEM	Service Representative	\$68.77	4.00	10.00%
36	Recap all elements of the order & offer additional assistance. Note BOSS account: issued order to change PIC/LPIC from/to, due date & order number, release order.	GEM	Service Representative	\$68.77	0.50	100.00%
37	Change request to non-SBC carrier. Take verbal request from customer. No LOA required.	GEM	Service Representative	\$68.77	5.00	40.00%
38	Change Centrex GROUP: Issue M1031	GEM	Service Representative	\$68.77	10.00	60.00%
39	Issue SORD order to change the Centrex GROUP PIC/LPIC. Locate all accounts (access BOSS as needed), access account via SORD MII, type order & send order.	GEM	Service Representative	\$68.77	3.00	60.00%
40	Add or Change New Carrier - Issue SORD order Line by Line (without Freeze). Access Account via SORD MII, put in proper codes to pull up account with duplicate lines, determine what you can put on a single order to prepare for line limitations, type order, send order. Repeat PROCESS step for each 30 Centrex lines.	GEM	Service Representative	\$68.77	1.00	100.00%
41	Issue ONE order for every telephone set (EBS-ISDN)	GEM	Service Representative	\$68.77	1.00	20.00%
42	Unit Activity Cost > SUM (LN 33.....41)					\$0.23
						\$16.50

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## Bill of Activity Costs

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Ln	Activities / Resources	Workgroup	Job Title	Unit Resource Cost (\$/hr)	Resource Driver Hours	Resource Cost (G=E*F)
<i>Provide Customer Account Record Exchange (CARE) support - All PIC and/or LPIC Changes</i>						
43	SBC - West CARE Support	CARE	Area Manager IN	\$73.25	508.34	\$37,235.98
44	SBC - West CARE Support	CARE	Manager OH	\$78.06	1016.68	\$79,362.19
45	SBC - West CARE Support	CARE	Manager MI	\$65.89	405.67	\$26,795.67
46	ASC Call Group (IPOC)	ASC	Service Representative	\$58.07	15.60	\$905.89
47	ASC Collections (IPOC)	ASC	Service Representative	\$58.07	260.00	\$15,098.20
48	Unit Activity Cost > SUM (LN 43.....47)					\$159,397.93
<i>Provide Customer Account Record Exchange (CARE) support - Mechanized PIC and/or LPIC Changes</i>						
49	ASC Error Correction	ASC	Service Representative	\$58.07	4064.74	\$236,039.22
50	Unit Activity Cost > SUM (LN 49.....49)					\$236,039.22
<i>Provide Slamming Administration support - All PIC and/or LPIC Changes</i>						
51	Consumer Support	SCRT	Service Representative	\$60.65	20800.00	\$1,261,520.00
52	Business Support	SCRT	Service Representative	\$60.65	2080.00	\$126,152.00
53	Unit Activity Cost > SUM (LN 51.....52)					\$1,387,672.00

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## Bill of Resource Costs

(A) Line	(B) State	(C) JFC	(D) Work Group	(E) Job Title	(F) Labor Cost per Hour (1)	(G) Factor to restate labor rate to current and adjust for Inflation (2)	(H) Adjusted Labor Cost per Hour (F)*(G)
1	CA	23XX	Consumer	Service Representative	\$56.60	1.0716	\$60.65
2	CA	23XX	Consumer	Staff Associate	\$51.09	1.0716	\$54.75
3	CA	23XX	Global	Service Representative	\$56.60	1.0716	\$60.65
4	CA	23XX	Global	Provisioning Specialist	\$62.84	1.0716	\$67.34
5	CA	22XX	GEM	Service Representative	\$64.17	1.0716	\$68.77
6	CA	23XX	BCS	Service Representative	\$56.60	1.0716	\$60.65
7	IN	23XX	CARE	Area Manager IN	\$68.35	1.0716	\$73.25
8	OH	23XX	CARE	Manager OH	\$72.84	1.0716	\$78.06
9	MI	23XX	CARE	Manager MI	\$61.49	1.0716	\$65.89
10	TX	23XX	ASC	Service Representative	\$54.19	1.0716	\$58.07
11	CA	23XX	SCRT	Service Representative	\$56.60	1.0716	\$60.65

### NOTES:

- (1) Source: "Input" Tab
- (2) Restate to Current and Inflation Calculations:

	Year	Value
Labor Rate Base Year	2003	
2004 Wage Increase	2004	2.0%
2005 Wage Increase	2005	2.5%
2006 Wage Increase	2006	2.5%
Inflation to midpoint based on union contract increases		1.0716

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Drivers				
ACTIVITY DRIVERS				
(A)	(B)	(C)	(D)	
Line	Driver Description	PIC Changes per Order Source: Input	Value (1 / C)	
<b>Stand-Alone PIC Change</b>				
1	Consumer Service Representative PIC/LPIC Orders per Change	1.90	0.53	
2	Global Markets PIC/LPIC Orders per Change	50.00	0.02	
3	Signature PIC/LPIC Orders per Change	5.17	0.19	
4	Value PIC/LPIC Orders per Change	3.56	0.28	
5	GEM PIC/LPIC Orders per Change	4.81	0.21	
6	Weighted Average PIC/LPICs Orders per Change	2.71	0.37	
(A)	(B)	(C)	(D)	(E)
<b>Percent Orders by Channel</b>				
		Source: Input	Source: Input	(E)=(C)/(D)
7	% manual orders worked by Consumer Service Representative	86.03%	100.00%	86.03%
8	% manual orders worked by Global Markets center	1.14%	100.00%	1.14%
9	% manual orders worked by Signature Accounts center	1.53%	100.00%	1.53%
10	% manual orders worked by Value center	9.18%	100.00%	9.18%
11	% manual orders worked by GEM center	2.12%	100.00%	2.12%

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## Drivers

(A)	(B)	(C)	(D)	(F)
Line	Driver Description	Quantity Total PIC/LPIC Changes Source: Input	Value (1 / C)	
12	1/Total PIC/LPIC Transactions	5,073,836	0.00000020	
13	1/Mechanized PIC/LPIC Transactions	1,751,259	0.00000057	
14	1/Manual PIC/LPIC Transactions	3,322,577	0.00000030	

## RESOURCE DRIVERS

(A)	(B)	(C)	(D)	(E)	(F)
Line	Driver Description	Number of Employees	Resource Time (annual hours)	% Time Dedicated to Support California PIC/LPIC	Value (F=C*D*E)
15	CARE Area Manager Labor Hours	1	2,080	24.44%	508.34
16	CARE Manager Labor Hours - OH	1	2,080	48.88%	1016.68
17	CARE Manager Labor Hours - MI	1	2,080	18.55%	406.67
18	IPOC Service Rep Labor Hours	2	2,080	97.71%	4064.74
19	IPOC Service Rep Labor Hours	9	2,080	0.08%	15.60
20	IPOC Service Rep Labor Hours	1	2,080	12.50%	260.00
21	SCRT Service Representative Labor Hours	10	2,080	100%	20800
22	SCRT Customer Advocate Labor Hours	1	2,080	100%	2080

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#### Glossary

ASC	Access Service Center	Location where service representatives are employed. The ASC was previously called the ICSC (Interexchange Carrier Service Center).
AOG	Automatic Order Generator	This is an application that takes responses from various other applications like RCRMS to issue SNP's, Non-Pay Product Removal and requests to add delete products and services fro the Web and generates an order in SORD.
BCS	Business Communication Services	
BEASE	Business Easy Access Sales Environment	A GUI application which interacts with SORD, Premise and other systems to format simple orders in SORD.
BORC	Bill of Resource Costs	The section of the cost study that shows the cost of each resource. Resources can be labor such as a service representative's time or equipment such as a multipurpose position. In the case of this study it is labor.
BOSS	Billing and Order Support System	Allows on-line access to all detailed and up-to-date account information needed to carry out service center operations associated with customer account inquiries, the processing of adjustments and the performance of treatment activities.
CARE	Calibus Customer Account Record Exchange Consumer	A web based third party verification application that service representatives can access to begin the TPV process. Application that interfaces with the interexchange carriers to provide them with tariffed FCC mandated billing information and optional wholesale products.
EASE	Easy Access Sales Environment	Separate Business Channel for the Consumer Channel An SBC Enterprise merger revenue/savings initiative to support the strategy of a common desktop application solution across SBC consumer and BCS call centers. Reduces the amount of time customers spend on hold while the service representatives search for customer account information. Provide the capability to navigate into legacy systems for detailed service activation, service orders, billing functions, etc.
GEM	Government, Education, Municipal	Application used to negotiate orders. Separate Business Channel for Government/Education/Municipal customers.
GUI	Graphical User Interface	This represents customers with alignment to "Fortune 500" and "Fortune 1000" companies. Minimum \$10 million in total telecom - budget. The customer has 2 or more states outside their headquartered state. Customer has locations in at least 5 continents with at least 2 countries in each continent. A WEB based tool that allows online interaction.
IPOC	Initial Point of Contact	An Access Service center located in Richardson, Texas that has a dedicated staff for serving Interexchange Carriers and Billing & Collection Customers. The ASC/IPOC was created to provide one point of contact within SBC for the Carriers regarding Subscription/CARE issues.

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#### Glossary

IVR	Interactive Voice Response	Provides inquiry and update directly to the customer without service representative intervention. Many applications available including Spanish, Business and Residence functions. Routes appropriately if service representative support is required.
KID PN	n/a	Used to set follow-up's in BOSS to review the account. The service representative will set the KID PN for various reasons. One of these being to refer slammed customers to the SCRT.
LPIC	Local Presubscription Interexchange Carrier	The IntraLATA carrier selected by the customer.
Mosaix	Presubscription Interexchange Carrier	Delivery tool that distributes telephone numbers to back-end reps workstation.
PIC	Presubscription Interexchange Carrier	The InterLATA carrier selected by the customer.
PIC/LPIC	(See above)	PIC or LPIC.
RCRMS	Revenue Collection Risk Management System	An automated account collection process for the West region. Business rules and tariff requirements have been established to assign accounts into specific risk classifications. A GUI interface then allows collection representatives to work their accounts accordingly.
RSC	Residence Service Center	These are the billing channel service representatives.
SCRT	Slamming Complaint Resolution Team	This group resolves all customer slamming complaints.
SNP	Signature Customer Suspended for Non Pay	Separate Business Channel for large business customers.
SORD	Service Order Retrieval & Distribution	SORD is a mechanized, online service order processing system for SBC. It provides a means to create, store, edit, maintain and distribute requests to other involved work groups establishing, disconnecting or changing a customer's services and account.
SORD MII	Service Order Retrieval & Distribution Minimal Input Inquiry	See definition of SORD above. Minimal Input Inquiry is for simple service such as a residential or business line.
SSN	Social Security Number	One form of identification used verify authority
TPBC	Third Party Billing Center Value Customer	Separate Business Channel for small business customers.



## SBC - California Study

Presubscribed Interchange Carrier (PIC) Change Charge  
Nonrecurring Cost Study

2005 - 2008

August 2005

## Input

Input		Value	Source
Completion Date		August 2005	
State		SBC - California Study	
Cost Study Title		Presubscribed Interchange Carrier (PIC)	
Cost Study Subtitle 1		Change Charge	
Cost Study Subtitle 2		Nonrecurring Cost Study	
Study Period		2005 - 2008	
Midpoint		2006	
Labor Rate Base Year		2003	Cost Group
1	2004 Wage Increase	2.0%	2004 Union Labor Contract
2	2005 Wage Increase	2.5%	2004 Union Labor Contract
3	2006 Wage Increase	2.5%	2004 Union Labor Contract
Percent of Service Orders by Channel			
4	Consumer Service Rep Inbound	86.03%	PIC LPIC CA Revised
5	Global Markets	1.14%	PIC LPIC CA Revised
6	Signature Accounts	1.53%	PIC LPIC CA Revised
7	Value Accounts	9.18%	PIC LPIC CA Revised
8	Government/Education/Municipal (GEM)	2.12%	PIC LPIC CA Revised
9	Total	100.0%	
Changes per Request by Business Channel			
10	Consumer Customer Care	1.90	Associate Director-Ad Hoc Reporting
11	Global Markets	50	25 PIC and 25 LPIC changes per request (provided by Area Manager - Operations Support)
12	Signature Accounts	5.17	Associate Director-Ad Hoc Reporting
13	Value Accounts	3.96	Associate Director-Ad Hoc Reporting
14	Government/Education/Municipal (GEM)	4.81	Associate Director-Ad Hoc Reporting
15	PIC/LPICs per Order - Wtd. Avg based on service orders	2.71	=SUM(Channel Orders * Channel % Orders) / Total Percent

## SBC - California Study

Presubscribed Interchange Carrier (PIC) Change Charge  
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2005 - 2008

August 2005

Input		Value	Source
16	Manual PIC/LPIC Transactions	3,322,577	Area Manager - CARE Process Support
17	Mechanized PIC/LPIC Transactions	1,751,259	Area Manager - CARE Process Support
18	Total PIC/LPIC Change Transactions	5,073,836	Total Manual and Mechanized Transactions
19	% Manual Transactions (PIC Changes)	100.00%	Product Management
20	Provide Service Order Computer Cost per PIC Change	\$0.98	IT SO Billed Cost Study (July 2004) 13 state average
21	Provide PIC IT Cost per PIC Change	\$0.46	PIC Processing IT Costs_2003_R2.xls (13 state average)
22	Provide IT Implementation Cost per PIC Change	\$0.06	SBC Regional IT Implementation Costs
23	Annual Hours (40 hours per week x 52 weeks)	2,080	Cost Analysis Factors Group
24	CARE Labor Support		Area Manager - CARE Process Support
25	% Dedicated to Support SBC California - Area Manager IN	25%	Area Manager - CARE Process Support
26	% Dedicated to Support SBC California - Manager OH	50%	Area Manager - CARE Process Support
27	% Dedicated to Support SBC California - Manager MI	20%	Area Manager - CARE Process Support
28	% SBC West Support dedicated to California	98%	California Access Lines / Total West Access Lines
29	% Dedicated to Support SBC California - Area Manager IN	24.44%	% Care support dedicated SBC West * % California of total West
30	% Dedicated to Support SBC California - Manager OH	48.88%	% Care support dedicated SBC West * % California of total West
31	% Dedicated to Support SBC California - Manager MI	19.55%	% Care support dedicated SBC West * % California of total West
32	Headcount supporting SBC California - Area Manager IN	1	Area Manager - CARE Process Support
33	Headcount supporting SBC California - Manager OH	1	Area Manager - CARE Process Support
34	Headcount supporting SBC California - Manager MI	1	Area Manager - CARE Process Support
35	IFOC Labor Support		Manager - ASC
36	% Dedicated to Support SBC California - Service Representative (error corrector)	98%	Manager - ASC
37	% Dedicated to Support SBC California - Service Representative (call group)	0.08%	Manager - ASC
38	% Dedicated to Support SBC California - Service Representative (collections)	12.50%	Manager - ASC
39	Headcount supporting SBC California - Service Representative (error correction)	2	Manager - ASC
40	Headcount supporting SBC California - Service Representative (call group)	9	Manager - ASC
41	Headcount supporting SBC California - Service Representative (collections)	1	Manager - ASC
42	SCRT Labor Support		Area Manager - SCRT
43	% Dedicated to Support SBC California - Serv Rep - Consumer	100%	Area Manager - SCRT
44	% Dedicated to Support SBC California - Serv Rep - Business	100%	Area Manager - SCRT
45	Headcount supporting SBC California - Serv Rep - Consumer	10	Area Manager - SCRT
46	Headcount supporting SBC California - Serv Rep - Business	1	Area Manager - SCRT
47	Overhead Factor	32.17%	SBC ARMS Overhead Factor PICS 7-25-04
48	CA - 23XX Service Representative	\$56.80	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
49	CA - 23XX Staff Associate	\$51.09	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
50	CA - 23XX Provisioning Specialist	\$62.84	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
51	CA - 23XX Service Representative	\$64.17	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
52	IN - 23XX Area Manager	\$68.35	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
53	OH - 23XX Manager	\$72.84	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
54	MI - 23XX Manager	\$81.48	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04
55	TX - 23XX Service Representative	\$54.19	SBC Cost Analysis Factors & Labor Rates Group, Issued 7/04